

CITY OF HAYWARD AGENDA REPORT

AGENDA DATE

04/08/03

AGENDA ITEM

WORK SESSION ITEM

WSZ

TO:

Mayor and City Council

FROM:

City Manager

SUBJECT:

Civic Center

This item appears on the agenda at the request of Councilmember Bill Ward.

As the Council will recall, the master plan for the Civic Center site (Site II) envisioned mixeduse development consisting of housing and office uses (See Exhibit A). Since plan adoption, City Hall has opened and the City Walk project is nearing completion.

A couple of years ago, the Council authorized execution of an exclusive negotiating agreement with City Center Commercial (CCC) for the purpose of developing an office building in the parcel adjacent to City Hall. It was anticipated the site, consisting of approximately 32,000 square feet, could accommodate an office building of between 40,000 and 50,000 square feet. Unfortunately, while CCC was performing its due diligence, the office market began to soften. Later, the technology sector virtually collapsed, resulting in an excess supply of office space.

In light of changes in the economy and taking into account our experience with the development of the Civic Center, Councilmember Ward suggested it might be appropriate to revisit the present policy of developing a second office building. If the Council concurs this issue merits reexamination, I would suggest that the matter be referred to the Council Downtown Committee for its review and recommendation.

Jesús Armas City Manager